

serious about getting down to work and passing our Contract With America. We are committed to working hard to keep our promise with the American people. Congressional accountability, balanced budget amendment, unfunded mandates reform—all done. Next up is line-item veto, crime bill, welfare reform, national defense bill, middle-class tax cuts, term limits. We won't stop until we're through.

If the people want to know if the Republicans are delivering, just look at what we have accomplished in 1 month.

#### RAISING INTEREST RATES PUTS RECOVERY AT RISK

(Mr. HINCHEY asked and was given permission to address the House for 1 minute.)

Mr. HINCHEY. Mr. Speaker, yesterday, for the seventh time in the last 12 months, the Federal Reserve—meeting in a closed-door session—raised the interest rates and gambled on the economic future of the middle-class American.

Over the past year, the Federal Reserve has acted out of fear of a phantom inflation that does not exist.

The constituents of my district, and the working families of this Nation, are struggling to be a part of the economic recovery.

Inflation is at a 30-year low, but working Americans will now suffer under an interest rate double that of the same time last year.

Over the past year, there has been no significant increase in salaries or buying power, but now the Fed is depriving middle-class taxpayers of the buying power necessary to participate in the economic recovery.

The Fed's rate increase is going to hit working Americans when they pay their mortgage, it is going to hit working Americans when they pay their credit card bills, and it is going to hit working Americans when they need to buy cars.

Today, I call on the Federal Reserve Board to end this ongoing crusade against a phantom inflation—tilting at windmills that do not exist.

The fact remains that the economy is not overheating and millions upon millions of Americans are still out of work. The Federal Reserve was wrong to raise rates and has put economic recovery at risk for working American families.

#### YET ANOTHER VICTORY

(Mr. CHRISTENSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHRISTENSEN. Mr. Speaker, yesterday ushered in just one more victory for the American people. We passed the unfunded mandates reform legislation by an overwhelming bipartisan vote of 360 to 74. Once again, we have kept our promise with the people through our Republican Contract With

America. Again, we fulfilled our promise with the State and local governments to lift the financial burden imposed on them by the Washington bureaucrats.

We will continue to deliver change today as we begin debate on the line-item veto. This bill is yet another mechanism to reduce the size, scope, and cost of the Government. And more importantly, this bill is yet another step toward the completion of the Contract With America.

We are working hard. We are keeping our promise. We are changing Government.

#### FED'S ACTION DISSERVICE TO WORKING AMERICANS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, the Federal Reserve Board yesterday did a terrible disservice to working Americans when for the seventh time in a year it raised interest rates.

American homeowners will now get \$15 billion of additional mortgage costs charged against them because of this increase. Half of the homeowners in America will get an envelope shortly from their lending institution telling them that their monthly mortgage rate has gone up because of these actions by the Federal Reserve. Those people shopping for a car this weekend will find the cost of financing that automobile has gone up because of the Federal Reserve. Carpenters, plumbers, electricians, and others who work in the homebuilding industry and the construction industry will find it harder to find work throughout the year because the cost of homebuilding has gone up, the cost of construction has gone up, and the cost of small business expansion has gone up because of these actions taken in secret by the Federal Reserve.

American workers deserve better and the Federal Reserve ought to recognize that the wages of American workers are under pressure from workers around the world, and they ought to understand that inflation is different today than it was yesterday.

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#### DOING THE PEOPLE'S BUSINESS

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, under Republican leadership, the House is working hard to change the way we do the people's business.

Yesterday, we passed an unfunded mandate reform bill, which will make it harder for the Federal Government to tell the American people what to do without paying for it.

Today, we take up the line-item veto, which will make it more difficult for Congress to pass wasteful pork-barrel spending projects.

Mr. Speaker, in the last election, the American people said they wanted change.

They said they wanted a more efficient and smaller Government that cost less, spent less, and did fewer stupid things.

We have heard that message, and in a bipartisan fashion, we are working hard to make those changes.

I urge my colleagues on the other side of the aisle: Let's not bicker and nitpick. Let's not unnecessarily slow down the process for purely partisan reasons. Instead, let's give the American people the kind of Government they really want. Let us work together to complete the Contract With America.

#### INTRODUCTION OF LEGISLATION TO AUDIT OPERATIONS OF THE FEDERAL RESERVE SYSTEM

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I rise to inform my colleagues of legislation that I am introducing to audit the operations of the Federal Reserve System, including the Reserve Board, the Advisory Council, the Open Market Committee, and the Reserve banks.

Mr. Speaker, yesterday, the Federal Reserve again raised short-term interest rates. In a 2-day meeting behind closed doors the Federal Open Market Committee raised the rate by a half point. For the seventh time in a year the Fed has seen fit to slow our growing economy and raise interest rates to the highest point since 1991. To paraphrase Senator Dirksen, a half point here, three-quarters of a point there, and pretty soon we are talking about real interest.

Immediately after the Fed's announcement, major banks across the country raised their prime lending rate to 9 percent, forming an even bigger roadblock for those wanting to buy into the American dream of home ownership.

Mr. Speaker, I would like to know, as I am sure many of my colleagues would like to know, what crystal ball the all-knowing Federal Reserve Board uses so they can keep inflation contained when most economists believe that inflation is under control. That is why we need an audit, and that is why I have introduced this legislation. I ask my colleagues to join with me by cosponsoring this legislation so that we too can look behind those closed doors.

#### TERM LIMITS

(Mr. SANFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)